

MINUTES
FINANCE COMMITTEE
September 22, 2015
City Hall, Room 207
5:00 p.m.

MEMBERS: Alders Tom De Wane, Andy Nicholson, Tom Sladek and Guy Zima

OTHERS PRESENT: Mayor Jim Schmitt, Andy Rosendahl, Alders David Nennig, Tim DeWane and Mark Steuer, Chief Lewis, Lt. Eble, Diana Ellenbecker, Dawn Foeller, Rick Jensen and others.

1. Roll Call.

All present at start of meeting, except for Ald. Andy Nicholson who is to arrive soon. (Ald. Andy Nicholson arrived at 5:15 p.m.)

2. Approval of the Agenda.

Motion to approve by Ald. Tom DeWane; seconded by Ald. Tom Sladek.

3. Approval of the minutes of the Finance Committee meeting of September 9, 2015.

Motion to approve by Ald. Tom DeWane; seconded by Ald. Tom Sladek.

4. Request by the Finance Director to review and discuss 2014 year-end financial results for the City.

Dave Maccoux and Josh Swanson from Schenck addressed the committee. They highlighted information contained within the packet. They walked through the annual fiscal report year ending 12.31.14. This report was placed in the aldermen's mail boxes in July, 2015. That report included all the required statements that accurately represent the financial position of the City. Mr. Maccoux stated that much effort goes into this process by the City in preparation for the audit. He commented the City keeps good financial records which aides greatly in this process to achieve accurate results. The report is submitted for the Award Program through the Government Finance Offices Association and has received the award for the last 32 years. It was submitted with an unmodified opinion which means Schenck made no changes.

Mr. Maccoux stated there are a number of phases to this audit report. As a government entity, the audit is more than an audit on financials; the audit also tests compliance on laws and regulations, review of internal controls and monitors compliance with Federal and State rules as they pertain to grant assistance. Mr. Maccoux stated they have not identified any material weaknesses in the City's internal controls. Mr. Maccoux further stated there were no significant areas of disagreement working with all departments within the City; he was pleased to say that all departments cooperated fully.

Mr. Maccoux stated the Governmental Fund Balances are in good shape; those funds will continually need to be managed. The fund balances were presented in comparison with prior year.

Mr. Maccoux commented on the Health, Work Comp and General Liability Self-Insurance Fund; it will be important that each of these funds continue to be monitored and work to maintain their stability.

As a follow up to prior year comments, Mr. Maccoux briefed the committee on the City's use of P-Cards and the importance of enhancing procedures over credit card disbursements. The program continues to grow with the premise of reducing transaction costs and enhancing the rebates received from the P-Card vendor.

Mr. Maccoux explained that an audit sample was completed of certain P-Cards for different time frames; some were found to have missing the appropriate approvals. He stated that upon review of the charges, they were reasonable as to the amounts expended. However, as auditors, they focus on documentation and the approval processes.

Purchasing Manager, Rick Jensen, commented that they encourage more P-Card use due to the rebate program offered through Chase Bank. He stated we do not require our vendors to take P-Cards, however, once the City has chosen the lowest qualified bid, we do ask if they accept P-Cards with no additional up-charge. If they do, we use the City's P-Card; if not, we elect to pay cash.

Mr. Maccoux went on to discuss other comments included in the management letter including the implementation of GASB Statement No. 68. The City will need to include the City's portion of the Wisconsin Retirement System in their financial statements for 2015, based on the 2014 actuarial study completed by WRS. For the City, this will reflect an asset position.

New comments included in the statement were the need for timely reconciliation of balance sheet accounts and the implementation of new Federal guidelines for managing City grants and Federal dollars. There is more of a streamlined process for 2015.

Motion to receive and place on file the 2014 financial results and audit of the City by Ald. Andy Nicholson; seconded by Ald. Tom Sladek.

5. Report of the Purchasing Manager:

- a. Request approval to award a 3 year contract for Cellular Data Service for the Green Bay Police Department to Cellcom for \$77,472 (annually \$25,824) with two one-year renewal options.

Purchasing Manager, Rick Jensen, stated they did a public solicitation and received four responses. The contract was awarded to the lowest bidder, which was Cellcom. Before making the award, the City was assured that Cellcom provided accurate coverage through testing in the field. Furthermore, data services by Cellcom have been used in Transit for some time without any communication problems.

Motion to approve by Ald. Tom DeWane; seconded by Ald. Andy Nicholson.

6. Request by Ald. Tim DeWane to purchase radar cameras to decrease the speeding in the City of Green Bay.

Ald. Tim DeWane addressed the committee and stated this was an attempt to reduce speeding by utilizing other methods of technology like the red light camera, however was informed by Lt. Eble that its use is prohibited in the State of Wisconsin. He would like for State Senators to be contacted in order to have this changed. He believes this is cost effective for calming traffic. Ald. Tim DeWane stated that other states are using red light cameras and they have paid for themselves. They take pictures of car speeding, sends picture to law enforcement, law enforcement sends out a citation; pretty simple process.

Ald. Andy Nicholson questioned Lt. Eble as to why the use of the red light cameras are prohibited in the State of Wisconsin. Lt. Eble did not have an answer.

Ald. Guy Zima stated the use of red light cameras are used as revenue enhancers and that he believes the use of officers for speed control, using officer's best judgement vs. relying solely on use of technology, would be more effective.

Ald. Andy Nicholson recommends going back to a traffic enforcement unit. He questions as to why these red light cameras are prohibited and recommends that the committee consider having a resolution drafted to the State to look at allowing radar cameras in the State of Wisconsin. Ald. Nicholson would also like to place an item on the Personnel Committee agenda to look at the traffic citation process.

Ald. Andy Nicholson made commentary on his frustrations with GBPD and stated he has been utilizing the Brown County Sheriff's Department.

Alders Tom DeWane, Mark Steuer and Andy Nicholson all concur that many of their calls relate to speeding on certain streets, i.e. Bond Street, Manitowoc Road and West Point Road. Discussion continued about different traffic calming solutions; installing speed cameras or radar camera trailers may or may not solve the problem.

Ald. Nennig stated he has read articles of communities taking out the red light cameras for problems like issuing a ticket to the vehicle vs. the person.

Ald. Tim DeWane further encouraged a resolution be drafted.

Motion to refer to the Law Department to draft resolution to change State statute to allow speed cameras be legalized in State of Wisconsin by Ald. Andy Nicholson; seconded by Ald. Tom DeWane.

7. Request by Ald. Chris Wery that City Council begin discussions and take public input on how to utilize the approximately \$5.4 million dollars being rebated from excess Stadium tax revenue.

Ald. Guy Zima stated he is waiting on a report from the Public Works Department as to cost in order to resolve storm water problems in the City of Green Bay.

Ald. Tom Sladek read Ald. Wery's communication to the committee; Ald. Wery was not in attendance. Ald. Wery's communication read as follows:

"I am not looking for any immediate action. The return of \$5.4 million to the citizens of Green Bay is a major event and needs thoughtful consideration.

The Council/Mayor should take a few weeks and give their feedback on ways to utilize the funds.

I further believe a listening session for the public to weigh in should be considered.

My personal thoughts are to use the funds for debt reduction, rainy day fund (leaving in the special account) and funding of select projects should be our focus.

I look forward to what the committee has to say."

Ald. Tom Sladek stated he is in favor of Ald. Wery's proposal to use dollars for debt reduction. Ald. Sladek questioned if all dollars would be used for levy supported debt and what impact it would have on the mill rate.

Finance Director, Dawn Foeller, answered she will have R.W. Baird investigate how this could look; possibly looking at allocating set amount of dollars per year as use of surplus funds. Director Foeller further stated that the bill has not passed as of yet, however, what is being considered as uses include property tax relief, tax levy supported debt relief or economic development.

Mayor Jim Schmitt addressed the committed on this issue. He stated he discussed this back in March with Ald. Wery. He welcomes public input sessions and looks forward to future meetings on this issue. However, Mayor Schmitt cautions everyone; this is just a proposal, there is no bill as of yet. It needs to go through the Senate and will be taken up by Assembly next week. If the Assembly amends it, it goes back to Senate; it is a process. He also states that he has been hearing chatter on this issue and there are people out there that are opposed. He further stated the bill will be limited; our monies have some latitude and we want to keep that in the bill. Mayor Schmitt projects that once Senate and the Assembly signs the bill, most likely the Governor will approve it. Again, we need to wait until it is 100% before we get too excited, as these are only suggestions of what monies could be used for; this could all be changed by the Assembly.

Ald. Mark Steuer stated he concurs with Mayor Schmitt's comments on this issue.

Ald. Guy Zima suggested the committee make a list of all potential capital improvements that are good for the City and prioritize.

Ald. Tom DeWane suggested that the committee hold one meeting designated to this issue and this issue only.

Motion to hold until State passes final bill by Ald. Tom Sladek; seconded by Ald. Tom DeWane. All in favor; motion carried.

8. Report by the Finance Director.

Finance Director, Dawn Foeller, stated there is no information to report at this time.

Motion to receive and place on file by Ald. Tom DeWane; seconded by Ald. Tom DeWane.

Motion to adjourn by Ald. Tom DeWane; seconded by Ald. Tom Sladek.

Meeting adjourned at 6:13 p.m.

Respectfully submitted by:
Lorri Kornowski
Recording Secretary

2015 Contingency Fund
\$92,220

- 1) **THIS MEETING IS AUDIO TAPED:** THE AUDIO OF THIS MEETING & MINUTES ARE AVAILABLE ON LINE AT WWW.CI.GREEN-BAY.WI.US.
- 2) **ACCESSIBILITY:** Any person wishing to attend who, because of a disability, requires special accommodation should contact the City Safety Manager at 448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.
- 3) **QUORUM:** Please take notice that it is possible that additional members of the Council may attend this committee meeting resulting in a majority or quorum of the Common Council. This may constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4) **REPRESENTATION:** The party requesting the communication, or their representative, should be present at this meeting.